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PUBLIC SERVICE  
COMMISSION

**BLACK HILLS POWER, INC.**

P.O. BOX 1400 625 NINTH STREET  
RAPID CITY, SOUTH DAKOTA 57709

Roxann R. Basham  
Controller

Telephone  
(605)721-1700

April 24, 2001

Montana Public Service Commission  
1701 Prospect Ave  
P O Box 202601  
Helena MT 59620-2601

Dear Sirs:

Enclosed is the 2000 Annual Electric Utility Report for Black Hills Power, Inc.

Sincerely,



Roxann R. Basham  
Controller

RRB:pac

Enclosures

## IDENTIFICATION

Year: 2000

1.	Legal Name of Respondent:	Black Hills Power, Inc.
2.	Name Under Which Respondent Does Business:	Black Hills Power, Inc.
3.	Date Utility Service First Offered in Montana	2/23/68
4.	Address to send Correspondence Concerning Report:	P.O. Box 1400 625 Ninth Street Rapid City, SD 57709
5.	Person Responsible for This Report:	Roxann Basham, Controller
5a.	Telephone Number:	(605) 721-1700
Control Over Respondent		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
	1a. Name and address of the controlling organization or person: Black Hills Corporation	
	1b. Means by which control was held: Common Stock	
	1c. Percent Ownership: 100%	

## SCHEDULE 2

Board of Directors			
Line No.	Name of Director and Address (City, State)		Remuneration
	(a)		(b)
1	Bruce B. Brundage	Englewood, CO	24,800
2	Thomas J. Zeller	Rapid City, SD	26,300
3	Adil M. Ameer	Rapid City, SD	27,200
4	John R. Howard	Rapid City, SD	27,800
5	Everett E. Hoyt*	Rapid City, SD	
6	Kay S. Jorgensen	Spearfish, SD	27,500
7	Daniel P. Landguth*	Rapid City, SD	
8	David C. Ebertz	Gillette, WY	28,100
9	David S. Maney	Lakewood, CO	21,200
10	Gerald R. Forsythe	Wheeling, IL	9,250
11			
12			
13			
14	* Officers of the Company -		
15	Not compensated as Directors		
16			
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## Officers

Year: 2000

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	Chairman of the Board and		Daniel P. Landguth
2	CEO		
3			
4	President and COO		Everett E. Hoyt
5			
6	Sr. Vice-President, Chief		Mark T. Thies
7	Financial Officer, Treasurer		
8	and Assistant Secretary		
9			
10	Vice-President - Controller,		Roxann R. Basham
11	Principal Accountng Officer		
12	and Assistant Secretary		
13			
14	President and		Gary R. Fish
15	COO Independent Energy		
16			
17	Sr. Vice President		James M. Mattern
18	Corporate Administration		
19			
20	Sr. V.P. - Power Supply and		Thomas M. Ohlmacher
21	Power Marketing		
22			
23	V.P. - Fuel Resources		David R. Emery
24			
25	V.P. - Corporate Affairs		Kyle D. White
26			
27	General Counsel and		Steven J. Helmers*
28	Corporate Secretary		
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31	*Appointed January 30, 2001		
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## CORPORATE STRUCTURE

Year: 2000

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1	Black Hills Power, Inc.	Electric Utility	37,178,026	69.67%
2	Black Hills Energy Capital, Inc.	Independent Power	3,327,394	6.24%
3	Adirondack Hydro Development Corp.	1 Independent Power		
4	EIF Investors, Inc.	1 Independent Power		
5	Black Hills High Desert, Inc.	1 Independent Power		
6	Black Hills Berkshire, LLC	1 Independent Power		
7	Black Hills North America, Inc.	1 Independent Power		
8	Black Hills Capital Development, Inc.	1 Independent Power		
9	North American Funding LLC	1 Independent Power		
10	Black Hills Idaho Operations, LLC	1 Independent Power		
11	Indeck North American Power Partners, LP	3 Independent Power		
12	South Glens Falls, LLC	1 Independent Power		
13	Black Hills Valmont Colorado, Inc.	1 Independent Power		
14	Black Hills Colorado, LLC	1 Independent Power		
15	Hudson Falls, LLC	1 Independent Power		
16	Black Hills North America, Inc.	1 Independent Power		
17	Black Hills Independent Power Fund, Inc.	1 Independent Power		
18	Black Hills Independent Power Fund II, Inc.	1 Independent Power		
19	Warrensburg Hydro Power Limited Partnership	2 Independent Power		
20	AHDC, LLC	2 Independent Power		
21	Middle Falls Corporation	2 Independent Power		
22	Warrensburg Corporation	2 Independent Power		
23	Warrensburg II Corporation	2 Independent Power		
24	Adirondack Hydro-Fourth Branch, LLC	2 Independent Power		
25	Adirondack Operating Services, LLC	2 Independent Power		
26	Middle Falls II, LLC	2 Independent Power		
27	Sissonville Corporation	2 Independent Power		
28	Sissonville II, LLC	2 Independent Power		
29	State Dam Corporation	2 Independent Power		
30	State Dam II, LLC	2 Independent Power		
31	Wyodak Resources Development Corp.	Coal Mining	7,682,475	14.40%
32	Black Hills Exploration and Production, Inc.	4 Oil and Gas Production	4,992,426	9.36%
33	Daksoft, Inc.	4 Software Marketing	(245,860)	-0.46%
34	Black Hills Generation, Inc.	4 Exempt Wholesale Generator	(85,852)	-0.16%
35	Black Hills Capital Group, Inc.	4 Corporate Development	(1,175,322)	-2.20%
36	Enserco Energy, Inc.	5 Fuel Marketing	12,722,152	23.84%
37	Varifuel, LLC	6 Fuel Marketing		
38	Black Hills Energy Resources, Inc.	5 Fuel Marketing	1,238,821	2.32%
39	Black Hills Energy Terminal LLC	7 Fuel Transportation		
40	Black Hills Millenium Terminal Inc.	7 Fuel Transportation		
41	Black Hills Energy Pipeline, LLC	7 Fuel Transportation		
42	Black Hills Millenium Pipeline, Inc.	7 Fuel Transportation	12,497	0.02%
43	Black Hills Coal Network, Inc.	5 Fuel Marketing	36,338	0.07%
44	Black Hills FiberSystems, Inc.	5 Communications	4,881,155	9.15%
45	Black Hills FiberCom, LLC	8 Communications	(16,662,736)	-31.22%
46	Landrica Development Corp.	4 Real Estate Development	(537,620)	-1.01%
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53			53,363,894	100.00%

## CORPORATE STRUCTURE

Year: 2000

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1	Note 1 - Wholly-owned subsidiaries of			
2	Black Hills Energy Capital, Inc.			
3				
4	Note 2 - Wholly-owned subsidiaries of			
5	Adirondack Hydro Development Corp.			
6				
7	Note 3 - 59.99% owned by			
8	Black Hills Energy Capital, Inc.			
9				
10	Note 4 - Wholly-owned subsidiaries of			
11	Wyodak Resources Development Corp.			
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13	Note 5 -Wholly-owned subsidiaries of			
14	Black Hills Capital Group, Inc.			
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16	Note 6 - Wholly-owned subsidiary of			
17	Enserco Energy, Inc.			
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19	Note 7 - Wholly-owned subsidiaries of			
20	Black Hills Energy Resources, Inc.			
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22	Note 8 - 51% owned by			
23	Black Hills FiberSystems, Inc.			
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CORPORATE ALLOCATIONS

Year: 2000

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Not significant to Montana Operations					
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34	TOTAL					

Company Name: Black Hills Power, Inc.

SCHEDULE 6

**AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY**

Year: 2000

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	Wyodak Resources	Coal sales to utility	Fair Market Value (Based on			
2	Development Corp.		similar arms-length transactions)	9,649,621	31.60%	48,682
3						
4	Enserco Energy, Inc.	Gas sales to utility	Fair Market Value (Based on			
5			similar arms-length transactions)	10,003,781	1.20%	50,469
6						
7	Daksoft, Inc.	Software development and	Fair Market Value (Based on			
8		computer software	similar arms-length transactions)	1,437,161	39.00%	7,532
9						
10	Black Hills FiberCom, Inc.	Telephone service	Fair Market Value (Based on	199,851	6.80%	1,047
11			similar arms-length transactions)			
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32	<b>TOTAL</b>			21,290,414		107,730

Company Name: Black Hills Power, Inc.

SCHEDULE 7

**AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY**

Year: 2000

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	Wyodak Resources	Electricity	Wyoming Industrial Rate	399,061	100.00%	
2	Development Corp.					
3						
4	Black Hills FiberCom, Inc	Electricity	South Dakota Commercial Rate	258,113	100.00%	
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32	<b>TOTAL</b>			657,174		



**MONTANA UTILITY INCOME STATEMENT**

Year: 2000

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	133,222,028	173,308,149	30.09%
2	Montana Revenues = \$649,141			
3	Operating Expenses			
4	401 Operation Expenses	52,579,954	76,677,516	45.83%
5	402 Maintenance Expense	6,276,311	6,651,393	5.98%
6	403 Depreciation Expense	15,400,638	14,814,410	-3.81%
7	404-405 Amortization of Electric Plant			
8	406 Amort. of Plant Acquisition Adjustments	151,404	151,404	
9	407 Amort. of Property Losses, Unrecovered Plant & Regulatory Study Costs			
11	408.1 Taxes Other Than Income Taxes	6,527,481	6,805,266	4.26%
12	409.1 Income Taxes - Federal	11,965,141	18,815,132	57.25%
13	- Other			
14	410.1 Provision for Deferred Income Taxes	972,906	1,145,879	17.78%
15	411.1 (Less) Provision for Def. Inc. Taxes - Cr.			
16	411.4 Investment Tax Credit Adjustments	(491,724)	(491,703)	0.00%
17	411.6 (Less) Gains from Disposition of Utility Plant			
18	411.7 Losses from Disposition of Utility Plant			
20	<b>TOTAL Utility Operating Expenses</b>	93,382,111	124,569,297	33.40%
21	<b>NET UTILITY OPERATING INCOME</b>	39,839,917	48,738,852	22.34%

**MONTANA REVENUES**

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Electricity			
2	440 Residential	6,807	5,937	-12.78%
3	442 Commercial & Industrial - Small	44,421	16,733	-62.33%
4	Commercial & Industrial - Large	566,559	606,419	7.04%
5	444 Public Street & Highway Lighting			
6	445 Other Sales to Public Authorities			
7	446 Sales to Railroads & Railways			
8	448 Interdepartmental Sales			
10	<b>TOTAL Sales to Ultimate Consumers</b>	617,787	629,089	1.83%
11	447 Sales for Resale			
13	<b>TOTAL Sales of Electricity</b>	617,787	629,089	1.83%
14	449.1 (Less) Provision for Rate Refunds			
16	<b>TOTAL Revenue Net of Provision for Refunds</b>	617,787	629,089	1.83%
17	Other Operating Revenues			
18	450 Forfeited Discounts & Late Payment Revenues	36	19	-47.22%
19	451 Miscellaneous Service Revenues	121	30	-75.21%
20	453 Sales of Water & Water Power			
21	454 Rent From Electric Property	120,000	20,003	-83.33%
22	455 Interdepartmental Rents			
23	456 Other Electric Revenues			
25	<b>TOTAL Other Operating Revenues</b>	120,157	20,052	-83.31%
26	<b>Total Electric Operating Revenues</b>	737,944	649,141	-12.03%

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2000

Account Number & Title		Last Year	This Year	% Change
1	Power Production Expenses			
2				
3	Steam Power Generation			
4	Operation			
5	500 Operation Supervision & Engineering	1,088,277	1,288,036	18.36%
6	501 Fuel			
7	502 Steam Expenses	1,876,681	1,821,112	-2.96%
8	503 Steam from Other Sources			
9	504 (Less) Steam Transferred - Cr.			
10	505 Electric Expenses	665,531	630,756	-5.23%
11	506 Miscellaneous Steam Power Expenses	1,355,866	1,234,081	-8.98%
12	507 Rents			
13				
14	TOTAL Operation - Steam	4,986,355	4,973,985	-0.25%
15				
16	Maintenance			
17	510 Maintenance Supervision & Engineering	278,667	243,686	-12.55%
18	511 Maintenance of Structures	135,935	127,057	-6.53%
19	512 Maintenance of Boiler Plant	2,486,766	2,188,818	-11.98%
20	513 Maintenance of Electric Plant	913,028	997,614	9.26%
21	514 Maintenance of Miscellaneous Steam Plant	502,253	752,677	49.86%
22				
23	TOTAL Maintenance - Steam	4,316,649	4,309,852	-0.16%
24				
25	TOTAL Steam Power Production Expenses	9,303,004	9,283,837	-0.21%
26				
27	Nuclear Power Generation			
28	Operation			
29	517 Operation Supervision & Engineering			
30	518 Nuclear Fuel Expense			
31	519 Coolants & Water			
32	520 Steam Expenses			
33	521 Steam from Other Sources			
34	522 (Less) Steam Transferred - Cr.			
35	523 Electric Expenses			
36	524 Miscellaneous Nuclear Power Expenses			
37	525 Rents			
38				
39	TOTAL Operation - Nuclear			
40				
41	Maintenance			
42	528 Maintenance Supervision & Engineering			
43	529 Maintenance of Structures			
44	530 Maintenance of Reactor Plant Equipment			
45	531 Maintenance of Electric Plant			
46	532 Maintenance of Miscellaneous Nuclear Plant			
47				
48	TOTAL Maintenance - Nuclear			
49				
50	TOTAL Nuclear Power Production Expenses			

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2000

Account Number & Title		Last Year	This Year	% Change
1	Power Production Expenses -continued			
2	Hydraulic Power Generation			
3	Operation			
4	535 Operation Supervision & Engineering			
5	536 Water for Power			
6	537 Hydraulic Expenses			
7	538 Electric Expenses			
8	539 Miscellaneous Hydraulic Power Gen. Expenses			
9	540 Rents			
10				
11	TOTAL Operation - Hydraulic			
12				
13	Maintenance			
14	541 Maintenance Supervision & Engineering			
15	542 Maintenance of Structures			
16	543 Maint. of Reservoirs, Dams & Waterways			
17	544 Maintenance of Electric Plant			
18	545 Maintenance of Miscellaneous Hydro Plant			
19				
20	TOTAL Maintenance - Hydraulic			
21				
22	<b>TOTAL Hydraulic Power Production Expenses</b>			
23				
24	Other Power Generation			
25	Operation			
26	546 Operation Supervision & Engineering	2,012	39,554	1865.90%
27	547 Fuel	1,371,004	19,061,650	1290.34%
28	548 Generation Expenses	196,824	259,738	31.96%
29	549 Miscellaneous Other Power Gen. Expenses	2,083	4,849	132.79%
30	550 Rents			
31				
32	TOTAL Operation - Other	1,571,923	19,365,791	1131.98%
33				
34	Maintenance			
35	551 Maintenance Supervision & Engineering	19,462	25,402	30.52%
36	552 Maintenance of Structures	33,242	8,059	-75.76%
37	553 Maintenance of Generating & Electric Plant	329,563	617,433	87.35%
38	554 Maintenance of Misc. Other Power Gen. Plant	53,274	39,853	-25.19%
39				
40	TOTAL Maintenance - Other	435,541	690,747	58.60%
41				
42	<b>TOTAL Other Power Production Expenses</b>	2,007,464	20,056,538	899.10%
43				
44	Other Power Supply Expenses			
45	555 Purchased Power			
46	556 System Control & Load Dispatching			
47	557 Other Expenses			
48				
49	TOTAL Other Power Supply Expenses			
50				
51	<b>TOTAL Power Production Expenses</b>	11,310,468	29,340,375	159.41%

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2000

Account Number & Title		Last Year	This Year	% Change
1	Transmission Expenses			
2	Operation			
3	560 Operation Supervision & Engineering	266,975	262,387	-1.72%
4	561 Load Dispatching	635,774	560,093	-11.90%
5	562 Station Expenses	54,174	52,418	-3.24%
6	563 Overhead Line Expenses	34,064	38,119	11.90%
7	564 Underground Line Expenses			
8	565 Transmission of Electricity by Others	1,817,943	1,880,664	3.45%
9	566 Miscellaneous Transmission Expenses	157,967	211,058	33.61%
10	567 Rents			
11				
12	TOTAL Operation - Transmission	2,966,897	3,004,739	1.28%
13	Maintenance			
14	568 Maintenance Supervision & Engineering	43,185	49,328	14.22%
15	569 Maintenance of Structures			
16	570 Maintenance of Station Equipment	69,339	56,357	-18.72%
17	571 Maintenance of Overhead Lines	121,366	71,592	-41.01%
18	572 Maintenance of Underground Lines			
19	573 Maintenance of Misc. Transmission Plant	23		-100.00%
20				
21	TOTAL Maintenance - Transmission	233,913	177,277	-24.21%
22				
23	<b>TOTAL Transmission Expenses</b>	<b>3,200,810</b>	<b>3,182,016</b>	<b>-0.59%</b>
24				
25	Distribution Expenses			
26	Operation			
27	580 Operation Supervision & Engineering	347,728	499,815	43.74%
28	581 Load Dispatching	38,582	81,630	111.58%
29	582 Station Expenses	215,768	266,586	23.55%
30	583 Overhead Line Expenses	450,016	443,360	-1.48%
31	584 Underground Line Expenses	181,847	239,531	31.72%
32	585 Street Lighting & Signal System Expenses	2,629	5,281	100.87%
33	586 Meter Expenses	301,541	282,883	-6.19%
34	587 Customer Installations Expenses	36,064	35,678	-1.07%
35	588 Miscellaneous Distribution Expenses	265,581	311,424	17.26%
36	589 Rents	23,312	24,432	4.80%
37				
38	TOTAL Operation - Distribution	1,863,068	2,190,620	17.58%
39	Maintenance			
40	590 Maintenance Supervision & Engineering	24,665	24,135	-2.15%
41	591 Maintenance of Structures			
42	592 Maintenance of Station Equipment	48,198	71,775	48.92%
43	593 Maintenance of Overhead Lines	787,295	908,489	15.39%
44	594 Maintenance of Underground Lines	123,507	142,573	15.44%
45	595 Maintenance of Line Transformers	5,723	7,897	37.99%
46	596 Maintenance of Street Lighting, Signal Systems	92,128	85,824	-6.84%
47	597 Maintenance of Meters	33,781	32,315	-4.34%
48	598 Maintenance of Miscellaneous Dist. Plant	21,819	27,223	24.77%
49				
50	TOTAL Maintenance - Distribution	1,137,116	1,300,231	14.34%
51				
52	<b>TOTAL Distribution Expenses</b>	<b>3,000,184</b>	<b>3,490,851</b>	<b>16.35%</b>

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2000

Account Number & Title		Last Year	This Year	% Change
1	Customer Accounts Expenses			
2	Operation			
3	901 Supervision	68,548	83,052	21.16%
4	902 Meter Reading Expenses	529,367	611,258	15.47%
5	903 Customer Records & Collection Expenses	1,711,498	1,797,794	5.04%
6	904 Uncollectible Accounts Expenses	672,594	555,731	-17.37%
7	905 Miscellaneous Customer Accounts Expenses	459,214	639,255	39.21%
8				
9	TOTAL Customer Accounts Expenses	3,441,221	3,687,090	7.14%
10	Customer Service & Information Expenses			
11	Operation			
12	907 Supervision	45,502	63,759	40.12%
13	908 Customer Assistance Expenses	795,013	771,216	-2.99%
14	909 Informational & Instructional Adv. Expenses	1,162	6,255	438.30%
15	910 Miscellaneous Customer Service & Info. Exp.	18,396	26,941	46.45%
16				
17				
18	TOTAL Customer Service & Info Expenses	860,073	868,171	0.94%
19	Sales Expenses			
20	Operation			
21	911 Supervision			
22	912 Demonstrating & Selling Expenses			
23	913 Advertising Expenses			
24	916 Miscellaneous Sales Expenses			
25				
26				
27	TOTAL Sales Expenses			
28	Administrative & General Expenses			
29	Operation			
30	920 Administrative & General Salaries	2,340,294	3,511,096	50.03%
31	921 Office Supplies & Expenses	599,258	1,182,023	97.25%
32	922 (Less) Administrative Expenses Transferred - Cr.	(84,466)	(99,490)	-17.79%
33	923 Outside Services Employed	787,813	1,074,092	36.34%
34	924 Property Insurance	206,984	222,796	7.64%
35	925 Injuries & Damages	482,273	700,503	45.25%
36	926 Employee Pensions & Benefits	616,498	(499,304)	-180.99%
37	927 Franchise Requirements			
38	928 Regulatory Commission Expenses	121,265	103,441	-14.70%
39	929 (Less) Duplicate Charges - Cr.			
40	930.1 General Advertising Expenses	244,294	250,463	2.53%
41	930.2 Miscellaneous General Expenses	845,517	1,362,979	61.20%
42	931 Rents	17,270	18,075	4.66%
43				
44				
45	TOTAL Operation - Admin. & General	6,177,000	7,826,674	26.71%
46	Maintenance			
47	935 Maintenance of General Plant	153,092	173,286	13.19%
48				
49	TOTAL Administrative & General Expenses	6,330,092	7,999,960	26.38%
50				
51	TOTAL Operation & Maintenance Expenses	10,631,386	12,555,221	18.10%

**MONTANA TAXES OTHER THAN INCOME**

Year: 2000

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes			
2	Superfund			
3	Secretary of State			
4	Montana Consumer Counsel			
5	Montana PSC	1,089	2,544	133.61%
6	Franchise Taxes			
7	Property Taxes	34,144	77,010	125.54%
8	Tribal Taxes			
9	Montana Wholesale Energy Tax		1,502	
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51	<b>TOTAL MT Taxes Other Than Income</b>	<b>35,233</b>	<b>81,056</b>	<b>130.06%</b>

## PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES

Year: 2000

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	AMOUNTS TO MONTANA ARE NOT SIGNIFICANT				
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42					
43					
44					
45					
46					
47					
48					
49					
50	TOTAL Payments for Services				

**POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS** Year: 2000

	Description	Total Company	Montana	% Montana
1	NONE			
2				
3				
4				
5				
6				
7				
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47				
48				
49				
50	<b>TOTAL Contributions</b>			



## Pension Costs

Year: 2000

1	Plan Name Pension Plan of Black Hills Corp.			
2	Defined Benefit Plan? _____ YES		Defined Contribution Plan? _____ NO	
3	Actuarial Cost Method? Project Unit Cost Method _____		IRS Code: _____ 401(B)	
4	Annual Contribution by Employer: _____ \$0		Is the Plan Over Funded? _____ YES	
5				
	Item	Current Year	Last Year	% Change
6	<b>Change in Benefit Obligation</b>			
7	Benefit obligation at beginning of year	33,034,284	33,703,062	2.02%
8	Service cost	743,553	866,761	16.57%
9	Interest Cost	2,401,062	2,164,194	-9.87%
10	Plan participants' contributions			
11	Amendments		824,623	#DIV/0!
12	Actuarial Gain	155,837	(2,842,360)	-1923.93%
13	Acquisition			
14	Benefits paid	(1,880,781)	(1,681,996)	10.57%
15	Benefit obligation at end of year	34,453,955	33,034,284	-4.12%
16	<b>Change in Plan Assets</b>			
17	Fair value of plan assets at beginning of year	43,544,225	35,361,517	-18.79%
18	Actual return on plan assets	6,329,836	10,615,846	67.71%
19	Amendments		(751,142)	#DIV/0!
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid	(1,880,781)	(1,681,996)	10.57%
23	Fair value of plan assets at end of year	47,993,280	43,544,225	-9.27%
24	<b>Funded Status</b>			
25	Unrecognized net actuarial loss	13,539,325	10,509,941	-22.37%
26	Unrecognized prior service cost	(11,492,063)	(10,298,004)	10.39%
27	Prepaid (accrued) benefit cost	1,755,790	1,955,143	11.35%
		3,803,052	2,167,080	-43.02%
28				
29	<b>Weighted-average Assumptions as of Year End</b>			
30	Discount rate	7.50%	6.75%	-10.00%
31	Expected return on plan assets	10.50%	10.50%	
32	Rate of compensation increase	5.00%	5.00%	
33				
34	<b>Components of Net Periodic Benefit Costs</b>			
35	Service cost	743,553	866,761	16.57%
36	Interest cost	2,401,062	2,164,194	-9.87%
37	Expected return on plan assets	(4,917,420)	(3,540,662)	28.00%
38	Amortization of prior service cost	199,353	78,140	-60.80%
39	Recognized net actuarial loss	(62,520)	(62,513)	0.01%
40	Net periodic benefit cost	(1,635,972)	(494,080)	69.80%
41				
42	<b>Montana Intrastate Costs:</b>			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	<b>Number of Company Employees:</b>			
47	Covered by the Plan	620	513	-17.26%
48	Not Covered by the Plan	26	26	
49	Active	312	273	-12.50%
50	Retired	162	153	-5.56%
51	Deferred Vested Terminated	120	87	-27.50%

## Other Post Employment Benefits (OPEBS)

Year: 2000

Item	Current Year	Last Year	% Change
<b>1 Regulatory Treatment:</b>			
2 Commission authorized - most recent			
3 Docket number: _____			
4 Order number: _____			
5 Amount recovered through rates			
<b>6 Weighted-average Assumptions as of Year End</b>			
7 Discount rate	7.50%	7.50%	
8 Expected return on plan assets			
9 Medical Cost Inflation Rate	8.50%	9.00%	5.88%
10 Actuarial Cost Method	Projected Unit Cost	Projected Unit Cost	
11 Rate of compensation increase	5.00%	5.00%	
<b>12 List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:</b>			
13			
14			
<b>15 Describe any Changes to the Benefit Plan:</b>			
16			
<b>17 TOTAL COMPANY</b>			
<b>18 Change in Benefit Obligation</b>			
19 Benefit obligation at beginning of year	2,606,742	2,400,554	-7.91%
20 Service cost	204,444	158,681	-22.38%
21 Interest Cost	427,253	290,142	-32.09%
22 Plan participants' contributions			
23 Amendments (Transfers to Subsidiary)		(99,000)	#DIV/0!
24 Actuarial Gain	187,769	124,084	-33.92%
25 Acquisition			
26 Benefits paid	(371,559)	(267,719)	27.95%
27 Benefit obligation at end of year	3,054,649	2,606,742	-14.66%
<b>28 Change in Plan Assets</b>			
29 Fair value of plan assets at beginning of year		-	
30 Actual return on plan assets			
31 Acquisition			
32 Employer contribution			
33 Plan participants' contributions		-	
34 Benefits paid			
35 Fair value of plan assets at end of year		-	
<b>36 Funded Status</b>	(3,054,649)	(2,606,742)	14.66%
37 Unrecognized net actuarial loss			
38 Unrecognized prior service cost			
39 Prepaid (accrued) benefit cost	(3,054,649)	(2,606,742)	14.66%
<b>40 Components of Net Periodic Benefit Costs</b>			
41 Service cost	204,444	158,681	-22.38%
42 Interest cost	427,253	290,142	-32.09%
43 Expected return on plan assets		-	
44 Amortization of prior service cost			
45 Recognized net actuarial loss	187,769	124,084	-33.92%
46 Net periodic benefit cost	819,466	572,907	-30.09%
<b>47 Accumulated Post Retirement Benefit Obligation</b>			
48 Amount Funded through VEBA			
49 Amount Funded through 401(h)			
50 Amount Funded through Other _____			
51 TOTAL		-	
52 Amount that was tax deductible - VEBA			
53 Amount that was tax deductible - 401(h)			
54 Amount that was tax deductible - Other _____			
55 TOTAL			

## Other Post Employment Benefits (OPEBS) Continued

Year: 2000

	Item	Current Year	Last Year	% Change
1	<b>Number of Company Employees:</b>			
2	Covered by the Plan	446	375	-15.92%
3	Not Covered by the Plan			
4	Active	322	267	-17.08%
5	Retired	124	108	-12.90%
6	Spouses/Dependants covered by the Plan			
7	<b>Montana</b>			
8	<b>Change in Benefit Obligation</b>			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	<b>Change in Plan Assets</b>			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	<b>Funded Status</b>			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	<b>Components of Net Periodic Benefit Costs</b>			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	<b>Accumulated Post Retirement Benefit Obligation</b>			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	<b>Montana Intrastate Costs:</b>			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	<b>Number of Montana Employees:</b>			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

**TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)**

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	N/A						
2							
3							
4							
5							
6							
7							
8							
9							
10							

## COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	Daniel P. Landgut Chairman and Chief Executive Officer of the Company and Subsidiaries	314,800	127,350	111,649	553,799	355,289	56%
2	Everett E. Hoyt President and Chief Operating Officer of the Company	191,200	53,100	67,472	311,772	229,958	36%
3	Gary R. Fish President and Chief Operating Officer of Independent Energy	190,050	61,250	14,789	266,089	172,736	54%
4	Mark T. Thies Sr. Vice-President, Chief Financial Officer, Treasurer and Asst. Secretary	145,035	31,800	13,179	190,015	119,873	59%
5	Thomas M. Ohlmach Vice-President Power Supply and Power Marketing	137,000	35,700	14,693	187,393	163,029	15%

**BALANCE SHEET**

Year: 2000

	Account Number & Title	Last Year	This Year	% Change
1	<b>Assets and Other Debits</b>			
2	Utility Plant			
3	101 Electric Plant in Service	498,329,796	495,076,985	1%
4	101.1 Property Under Capital Leases			
5	102 Electric Plant Purchased or Sold			
6	104 Electric Plant Leased to Others			
7	105 Electric Plant Held for Future Use			
8	106 Completed Constr. Not Classified - Electric	6,881,063	36,951,342	-81%
9	107 Construction Work in Progress - Electric	22,800,032	4,002,973	470%
10	108 (Less) Accumulated Depreciation	(184,386,624)	(181,259,747)	-2%
11	111 (Less) Accumulated Amortization			
12	114 Electric Plant Acquisition Adjustments	4,870,308	4,870,308	
13	115 (Less) Accum. Amort. Elec. Acq. Adj.	(1,312,171)	(1,463,575)	10%
14	120 Nuclear Fuel (Net)			
15	<b>TOTAL Utility Plant</b>	<b>347,182,404</b>	<b>358,178,286</b>	<b>-3%</b>
16	<b>Other Property &amp; Investments</b>			
17	121 Nonutility Property	5,618	5,618	
18	122 (Less) Accum. Depr. & Amort. for Nonutil. Prop.	(3,956)	(3,956)	
19	123 Investments in Associated Companies			
20	123.1 Investments in Subsidiary Companies	70,874,772	124,837,659	-43%
21	124 Other Investments	3,484,073	4,229,658	-18%
22	125 Sinking Funds			
23	<b>TOTAL Other Property &amp; Investments</b>	<b>74,360,507</b>	<b>129,068,979</b>	<b>-42%</b>
24	<b>Current &amp; Accrued Assets</b>			
25	131 Cash	3,794,640	1,951,700	94%
26	132-134 Special Deposits			
27	135 Working Funds	3,300	3,300	
28	136 Temporary Cash Investments	5,344,561		#DIV/0!
29	141 Notes Receivable	213,426	206,086	4%
30	142 Customer Accounts Receivable	11,504,925	12,735,798	-10%
31	143 Other Accounts Receivable	1,054,838	793,336	33%
32	144 (Less) Accum. Provision for Uncollectible Accts.	(262,945)	(427,270)	38%
33	145 Notes Receivable - Associated Companies	52,645,775	87,834,612	-40%
34	146 Accounts Receivable - Associated Companies	8,509,345	2,120,453	301%
35	151 Fuel Stock	649,715	2,091,675	-69%
36	152 Fuel Stock Expenses Undistributed			
37	153 Residuals			
38	154 Plant Materials and Operating Supplies	6,447,369	7,063,649	-9%
39	155 Merchandise			
40	156 Other Material & Supplies	632	470	34%
41	157 Nuclear Materials Held for Sale			
42	163 Stores Expense Undistributed	60,051	67,028	-10%
43	165 Prepayments	2,560,408	4,011,440	-36%
44	171 Interest & Dividends Receivable	91,079		#DIV/0!
45	172 Rents Receivable			
46	173 Accrued Utility Revenues			
47	174 Miscellaneous Current & Accrued Assets			
48	<b>TOTAL Current &amp; Accrued Assets</b>	<b>92,617,119</b>	<b>118,452,277</b>	<b>-22%</b>

**BALANCE SHEET**

Year: 2000

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Assets and Other Debits (cont.)</b>			
3				
4	<b>Deferred Debits</b>			
5				
6	181 Unamortized Debt Expense	1,576,607	1,443,516	9%
7	182.1 Extraordinary Property Losses			
8	182.2 Unrecovered Plant & Regulatory Study Costs			
9	183 Prelim. Survey & Investigation Charges	324,149	17,223	1782%
10	184 Clearing Accounts	1,219,901	15,089,883	-92%
11	185 Temporary Facilities			
12	186 Miscellaneous Deferred Debits	335,597	276,859	21%
13	187 Deferred Losses from Disposition of Util. Plant			
14	188 Research, Devel. & Demonstration Expend.			
15	189 Unamortized Loss on Reacquired Debt	378,013	345,225	9%
16	190 Accumulated Deferred Income Taxes	9,822,503	10,378,078	-5%
17	<b>TOTAL Deferred Debits</b>	13,656,770	27,550,784	-50%
18				
19	<b>TOTAL Assets &amp; Other Debits</b>	527,816,800	633,250,326	-17%
	Account Title	Last Year	This Year	% Change
20				
21	<b>Liabilities and Other Credits</b>			
22				
23	<b>Proprietary Capital</b>			
24				
25	201 Common Stock Issued	21,739,030	23,416,396	-7%
26	202 Common Stock Subscribed			
27	204 Preferred Stock Issued			
28	205 Preferred Stock Subscribed			
29	207 Premium on Capital Stock	43,159,701	79,827,830	-46%
30	211 Miscellaneous Paid-In Capital			
31	213 (Less) Discount on Capital Stock			
32	214 (Less) Capital Stock Expense	(2,501,882)	(2,501,882)	
33	215 Appropriated Retained Earnings			
34	216 Unappropriated Retained Earnings	162,720,561	191,682,614	-15%
35	217 (Less) Reacquired Capital Stock			
36	<b>TOTAL Proprietary Capital</b>	225,117,410	292,424,958	-23%
37				
38	<b>Long Term Debt</b>			
39				
40	221 Bonds	134,674,946	133,345,317	1%
41	222 (Less) Reacquired Bonds			
42	223 Advances from Associated Companies			
43	224 Other Long Term Debt	27,355,000	28,411,370	-4%
44	225 Unamortized Premium on Long Term Debt			
45	226 (Less) Unamort. Discount on L-Term Debt-Dr.			
46	<b>TOTAL Long Term Debt</b>	162,029,946	161,756,687	0%

**BALANCE SHEET**

Year: 2000

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Total Liabilities and Other Credits (cont.)</b>			
3				
4	<b>Other Noncurrent Liabilities</b>			
5				
6	227 Obligations Under Cap. Leases - Noncurrent			
7	228.1 Accumulated Provision for Property Insurance			
8	228.2 Accumulated Provision for Injuries & Damages			
9	228.3 Accumulated Provision for Pensions & Benefits			
10	228.4 Accumulated Misc. Operating Provisions			
11	229 Accumulated Provision for Rate Refunds			
12	<b>TOTAL Other Noncurrent Liabilities</b>			
13				
14	<b>Current &amp; Accrued Liabilities</b>			
15				
16	231 Notes Payable	60,000,000	86,000,000	-30%
17	232 Accounts Payable	3,280,486	9,124,676	-64%
18	233 Notes Payable to Associated Companies			
19	234 Accounts Payable to Associated Companies	158,130	1,262,518	-87%
20	235 Customer Deposits	431,736	435,471	-1%
21	236 Taxes Accrued	6,943,994	8,735,415	-21%
22	237 Interest Accrued	3,821,660	3,792,547	1%
23	238 Dividends Declared			
24	239 Matured Long Term Debt			
25	240 Matured Interest			
26	241 Tax Collections Payable	441,203	449,022	-2%
27	242 Miscellaneous Current & Accrued Liabilities	2,793,244	4,014,855	-30%
28	243 Obligations Under Capital Leases - Current			
29	<b>TOTAL Current &amp; Accrued Liabilities</b>	77,870,453	113,814,504	-32%
30				
31	<b>Deferred Credits</b>			
32				
33	252 Customer Advances for Construction	794,682	994,935	-20%
34	253 Other Deferred Credits	11,876,015	12,365,583	-4%
35	255 Accumulated Deferred Investment Tax Credits	3,021,993	2,530,290	19%
36	256 Deferred Gains from Disposition Of Util. Plant			
37	257 Unamortized Gain on Reacquired Debt			
38	281-283 Accumulated Deferred Income Taxes	47,106,301	49,363,369	-5%
39	<b>TOTAL Deferred Credits</b>	62,798,991	65,254,177	-4%
40				
41	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	527,816,800	633,250,326	-17%



**MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)**

Year: 2000

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Intangible Plant</b>			
3				
4	301 Organization			
5	302 Franchises & Consents			
6	303 Miscellaneous Intangible Plant			
7				
8	<b>TOTAL Intangible Plant</b>			
9				
10	<b>Production Plant</b>			
11				
12	Steam Production			
13				
14	310 Land & Land Rights			
15	311 Structures & Improvements			
16	312 Boiler Plant Equipment			
17	313 Engines & Engine Driven Generators			
18	314 Turbogenerator Units			
19	315 Accessory Electric Equipment			
20	316 Miscellaneous Power Plant Equipment			
21				
22	<b>TOTAL Steam Production Plant</b>			
23				
24	Nuclear Production			
25				
26	320 Land & Land Rights			
27	321 Structures & Improvements			
28	322 Reactor Plant Equipment			
29	323 Turbogenerator Units			
30	324 Accessory Electric Equipment			
31	325 Miscellaneous Power Plant Equipment			
32				
33	<b>TOTAL Nuclear Production Plant</b>			
34				
35	Hydraulic Production			
36				
37	330 Land & Land Rights			
38	331 Structures & Improvements			
39	332 Reservoirs, Dams & Waterways			
40	333 Water Wheels, Turbines & Generators			
41	334 Accessory Electric Equipment			
42	335 Miscellaneous Power Plant Equipment			
43	336 Roads, Railroads & Bridges			
44				
45	<b>TOTAL Hydraulic Production Plant</b>			

**MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)**

Year: 2000

	Account Number & Title	Last Year	This Year	% Change
1				
2	Production Plant (cont.)			
3				
4	Other Production			
5				
6	340 Land & Land Rights			
7	341 Structures & Improvements			
8	342 Fuel Holders, Producers & Accessories			
9	343 Prime Movers			
10	344 Generators			
11	345 Accessory Electric Equipment			
12	346 Miscellaneous Power Plant Equipment			
13				
14	<b>TOTAL Other Production Plant</b>			
15				
16	<b>TOTAL Production Plant</b>			
17				
18	<b>Transmission Plant</b>			
19				
20	350 Land & Land Rights	20,312	20,312	0%
21	352 Structures & Improvements			
22	353 Station Equipment			
23	354 Towers & Fixtures			
24	355 Poles & Fixtures	244,889	244,889	0%
25	356 Overhead Conductors & Devices	300,274	300,275	0%
26	357 Underground Conduit			
27	358 Underground Conductors & Devices			
28	359 Roads & Trails			
29				
30	<b>TOTAL Transmission Plant</b>	565,475	565,475	0%
31				
32	<b>Distribution Plant</b>			
33				
34	360 Land & Land Rights	5,992	5,992	0%
35	361 Structures & Improvements	5,970	5,970	0%
36	362 Station Equipment	408,028	415,728	-2%
37	363 Storage Battery Equipment			
38	364 Poles, Towers & Fixtures	124,322	124,322	0%
39	365 Overhead Conductors & Devices	112,990	112,990	0%
40	366 Underground Conduit	909	909	0%
41	367 Underground Conductors & Devices	15,834	15,834	0%
42	368 Line Transformers	37,696	37,697	0%
43	369 Services	3,436	3,436	0%
44	370 Meters	6,278	6,278	0%
45	371 Installations on Customers' Premises			
46	372 Leased Property on Customers' Premises			
47	373 Street Lighting & Signal Systems			
48				
49	<b>TOTAL Distribution Plant</b>	721,455	729,155	

**MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)**

Year: 2000

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>General Plant</b>			
3				
4	389 Land & Land Rights			
5	390 Structures & Improvements			
6	391 Office Furniture & Equipment			
7	392 Transportation Equipment			
8	393 Stores Equipment			
9	394 Tools, Shop & Garage Equipment			
10	395 Laboratory Equipment			
11	396 Power Operated Equipment			
12	397 Communication Equipment	14,732	14,732	0%
13	398 Miscellaneous Equipment			
14	399 Other Tangible Property			
15				
16	<b>TOTAL General Plant</b>	14,732	14,732	
17				
18	<b>TOTAL Electric Plant in Service</b>	1,301,662	1,309,362	

**MONTANA DEPRECIATION SUMMARY**

Year: 2000

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1					
2	Steam Production				
3	Nuclear Production				
4	Hydraulic Production				
5	Other Production				
6	Transmission	565,475	184,940	186,983	2.12%
7	Distribution	729,155	230,285	231,362	2.78%
8	General	14,732	4,809	5,068	7.18%
9	<b>TOTAL</b>	<b>1,309,362</b>	<b>420,034</b>	<b>423,413</b>	<b>0</b>

**MONTANA MATERIALS & SUPPLIES (ASSIGNED & ALLOCATED)**

SCHEDULE 21

	Account	Last Year Bal.	This Year Bal.	%Change
1				
2	151 Fuel Stock	N/A		#VALUE!
3	152 Fuel Stock Expenses Undistributed			
4	153 Residuals			
5	154 Plant Materials & Operating Supplies:			
6	Assigned to Construction (Estimated)			
7	Assigned to Operations & Maintenance			
8	Production Plant (Estimated)			
9	Transmission Plant (Estimated)			
10	Distribution Plant (Estimated)			
11	Assigned to Other			
12	155 Merchandise			
13	156 Other Materials & Supplies			
14	157 Nuclear Materials Held for Sale			
15	163 Stores Expense Undistributed			
16				
17	<b>TOTAL Materials &amp; Supplies</b>			

**MONTANA REGULATORY CAPITAL STRUCTURE & COSTS**

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number 83.4.25			
2	Order Number 4988			
3				
4	Common Equity	52.83%	15.00%	7.92%
5	Preferred Stock	11.96%	9.03%	1.08%
6	Long Term Debt	35.21%	7.75%	2.73%
7	Other			
8	<b>TOTAL</b>	<b>100.00%</b>		<b>11.73%</b>
9				
10	Actual at Year End			
11				
12	Common Equity	64.38%		
13	Preferred Stock			
14	Long Term Debt	35.62%		
15	Other			
16	<b>TOTAL</b>	<b>100.00%</b>		

## STATEMENT OF CASH FLOWS

Year: 2000

	Description	Last Year	This Year	% Change
1				
2	Increase/(decrease) in Cash & Cash Equivalents:			
3				
4	<b>Cash Flows from Operating Activities:</b>			
5	Net Income	37,447,326	53,363,894	-30%
6	Depreciation	15,400,638	14,814,410	4%
7	Amortization	151,404	151,404	
8	Deferred Income Taxes - Net	972,906	1,145,879	-15%
9	Investment Tax Credit Adjustments - Net	(491,724)	(491,703)	0%
10	Change in Operating Receivables - Net	(7,446,290)	5,682,264	-231%
11	Change in Materials, Supplies & Inventories - Net	49,040	(2,065,055)	102%
12	Change in Operating Payables & Accrued Liabilities - Net	1,657,255	9,944,051	-83%
13	Allowance for Funds Used During Construction (AFUDC)	(114,974)	(492,662)	77%
14	Change in Other Assets & Liabilities - Net	48,020	(14,294,024)	100%
15	Other Operating Activities (explained on attached page)	(10,085,437)	(16,185,868)	38%
16	<b>Net Cash Provided by/(Used in) Operating Activities</b>	<b>37,588,164</b>	<b>51,572,590</b>	<b>-27%</b>
17				
18	<b>Cash Inflows/Outflows From Investment Activities:</b>			
19	Construction/Acquisition of Property, Plant and Equipment	(31,795,663)	(25,464,628)	-25%
20	(net of AFUDC & Capital Lease Related Acquisitions)			
21	Acquisition of Other Noncurrent Assets			
22	Proceeds from Disposal of Noncurrent Assets			
23	Investments In and Advances to Affiliates	(52,646,000)	(72,965,857)	28%
24	Contributions and Advances from Affiliates			
25	Disposition of Investments in and Advances to Affiliates			
26	Other Investing Activities (explained on attached page)	4,846,555	5,344,561	-9%
27	<b>Net Cash Provided by/(Used in) Investing Activities</b>	<b>(79,595,108)</b>	<b>(93,085,924)</b>	<b>14%</b>
28				
29	<b>Cash Flows from Financing Activities:</b>			
30	Proceeds from Issuance of:			
31	Long-Term Debt		1,078,000	-100%
32	Preferred Stock			
33	Common Stock	423,780	38,345,495	-99%
34	Other:			
35	Net Increase in Short-Term Debt	60,000,000	26,000,000	131%
36	Other:			
37	Payment for Retirement of:			
38	Long-Term Debt	(1,330,191)	(1,351,259)	2%
39	Preferred Stock			
40	Common Stock			
41	Other:			
42	Net Decrease in Short-Term Debt			
43	Dividends on Preferred Stock		(77,670)	100%
44	Dividends on Common Stock	(22,601,958)	(24,324,172)	7%
45	Other Financing Activities (explained on attached page)			
46	<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>36,491,631</b>	<b>39,670,394</b>	<b>-8%</b>
47				
48	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(5,515,313)</b>	<b>(1,842,940)</b>	<b>-199%</b>
49	<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>9,313,253</b>	<b>3,797,940</b>	<b>145%</b>
50	<b>Cash and Cash Equivalents at End of Year</b>	<b>3,797,940</b>	<b>1,955,000</b>	<b>94%</b>

# LONG TERM DEBT

Year: 2000

	Description	Issue Date Mo./Yr.	Maturity Date Mo./Yr.	Principal Amount	Net Proceeds	Outstanding Per Balance Sheet	Yield to Maturity	Annual Net Cost Inc. Prem/Disc.	Total Cost %
1	Series:								
2									
3	Y	Jun-88	Jun-18	6,000,000	5,906,578	5,130,000	9.64%	502,148	9.79%
4	Z	May-91	May-21	35,000,000	34,790,305	35,000,000	9.41%	3,279,486	9.37%
5	AA	Jun-91	Sep-03	13,806,000	13,656,287	3,215,317	9.10%	340,218	10.58%
6	AB	Sep-94	Sep-24	45,000,000	44,243,911	45,000,000	8.44%	3,760,165	8.36%
7	AC	Feb-95	Feb-10	30,000,000	29,766,300	30,000,000	8.12%	2,451,386	8.17%
8	AD	Jul-95	Jul-02	15,000,000	14,850,666	15,000,000	6.87%	996,333	6.64%
9									
10	1992 Pollution Control								
11	Revenue Bonds:								
12	Lawrence County SD	Jun-92	Jun-10	5,850,000	5,753,590	5,850,000	6.81%	397,383	6.79%
13	Pennington County SD	Jun-92	Jun-10	2,050,000	1,969,993	2,050,000	6.97%	141,874	6.92%
14	Campbell County WY	Jun-92	Jun-10	1,550,000	1,473,355	1,550,000	7.05%	108,178	6.98%
15	Weston County WY	Jun-92	Jun-10	2,850,000	2,770,414	2,850,000	6.89%	195,451	6.86%
16									
17									
18	1994A Environ Improv B.	Jun-94	Jun-24	3,000,000	2,930,057	2,855,000	4.35%	129,983	4.55%
19	1994 A Construction Fund								
20	1994 Gillette Refund Bo	Jul-94	Jun-24	12,200,000	11,888,427	12,200,000	7.70%	924,750	7.58%
21									
22	Bear Paw Energy Note Pa	Jun-00	May-12	1,078,000	1,078,000	1,056,370	13.70%	75,483	7.15%
23									
24									
25									
26									
27									
28									
29									
30									
31									
32	TOTAL			173,384,000	171,077,883	161,756,687		13,302,838	8.22%

**PREFERRED STOCK**

Year: 2000

	Series	Issue Date Mo./Yr.	Shares Issued	Par Value	Call Price	Net Proceeds	Cost of Money	Principal Outstanding	Annual Cost	Embed. Cost %
1	None									
2										
3										
4										
5										
6										
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31										
32	<b>TOTAL</b>									

## COMMON STOCK

Year: 2000

		Avg. Number of Shares Outstanding	Book Value Per Share	Earnings Per Share	Dividends Per Share	Retention Ratio	Market Price High	Low	Price/ Earnings Ratio
1									
2									
3									
4	January	21,371,521	10.71						
5									
6	February	21,376,582	10.85						
7									
8	March	21,379,722	10.72	0.42	0.27		25.19	20.44	
9									
10	April	21,390,946	10.85						
11									
12	May	21,394,908	10.94						
13									
14	June	21,395,644	10.83	0.38	0.27		25.19	20.88	
15									
16	July	22,634,956	12.11						
17									
18	August	22,935,867	12.25						
19									
20	September	22,938,172	12.20	0.71	0.27		30.13	22.00	
21									
22	October	22,938,907	12.35						
23									
24	November	22,943,627	12.56						
25									
26	December	22,921,335	12.76	0.83	0.27		46.06	27.00	
27									
28									
29									
30									
31									
32	TOTAL Year End			2.336	1.08	53.77%	44.75		19.2



## MONTANA EARNED RATE OF RETURN

Year: 2000

	Description	Last Year	This Year	% Change
	Rate Base			
1				
2	101 Plant in Service			
3	108 (Less) Accumulated Depreciation			
4	<b>NET Plant in Service</b>			
5				
6	Additions			
7	154, 156 Materials & Supplies			
8	165 Prepayments			
9	Other Additions			
10	<b>TOTAL Additions</b>			
11				
12	Deductions			
13	190 Accumulated Deferred Income Taxes			
14	252 Customer Advances for Construction			
15	255 Accumulated Def. Investment Tax Credits			
16	Other Deductions			
17	<b>TOTAL Deductions</b>			
18	<b>TOTAL Rate Base</b>			
19				
20	<b>Net Earnings</b>			
21				
22	<b>Rate of Return on Average Rate Base</b>			
23				
24	<b>Rate of Return on Average Equity</b>			
25				
26	Major Normalizing Adjustments & Commission			
27	Ratemaking adjustments to Utility Operations			
28				
29	NOTE: This schedule is not completed because			
30	Montana revenues represent less than 1% of			
31	the Company's revenues			
32				
33				
34				
35				
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42				
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44				
45				
46				
47	<b>Adjusted Rate of Return on Average Rate Base</b>			
48				
49	<b>Adjusted Rate of Return on Average Equity</b>			

## MONTANA COMPOSITE STATISTICS

Year: 2000

	Description	Amount
1		
2	Plant (Intrastate Only) (000 Omitted)	
3		
4	101 Plant in Service	1,309
5	107 Construction Work in Progress	
6	114 Plant Acquisition Adjustments	
7	105 Plant Held for Future Use	
8	154, 156 Materials & Supplies	
9	(Less):	
10	108, 111 Depreciation & Amortization Reserves	(423)
11	252 Contributions in Aid of Construction	
12		
13	<b>NET BOOK COSTS</b>	<b>886</b>
14		
15	Revenues & Expenses (000 Omitted)	
16		
17	400 Operating Revenues	649
18		
19	403 - 407 Depreciation & Amortization Expenses	
20	Federal & State Income Taxes	
21	Other Taxes	
22	Other Operating Expenses	
23	TOTAL Operating Expenses	
24		
25	Net Operating Income	649
26		
27	415-421.1 Other Income	
28	421.2-426.5 Other Deductions	
29		
30	<b>NET INCOME</b>	<b>649</b>
31		
32	Customers (Intrastate Only)	
33		
34	Year End Average:	
35	Residential	12
36	Commercial	21
37	Industrial	2
38	Other	
39		
40	<b>TOTAL NUMBER OF CUSTOMERS</b>	<b>35</b>
41		
42	Other Statistics (Intrastate Only)	
43		
44	Average Annual Residential Use (Kwh)	6,833
45	Average Annual Residential Cost per (Kwh) (Cents) *	7.24
46	* Avg annual cost = [(cost per Kwh x annual use) + ( mo. svc chrg x 12)]/annual use	
47	Average Residential Monthly Bill	41.23
48	Gross Plant per Customer	37,410

## MONTANA CUSTOMER INFORMATION

Year: 2000

	City/Town	Population (Include Rural)	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1	Carter and Powder River Counties		12	21	2	35
2						
3						
4						
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31						
32	<b>TOTAL Montana Customers</b>		12	21	2	35

## MONTANA EMPLOYEE COUNTS

Year: 2000

	Department	Year Beginning	Year End	Average
1	N/A			
2				
3				
4				
5				
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49				
50	TOTAL Montana Employees			

## MONTANA CONSTRUCTION BUDGET (ASSIGNED &amp; ALLOCATED)

Year: 2001

	Project Description	Total Company	Total Montana
1	N/A		
2			
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4			
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49			
50	TOTAL		

## TOTAL SYSTEM &amp; MONTANA PEAK AND ENERGY

Year: 2000

## System

		Peak Day of Month	Peak Hour	Peak Day Volumes Megawatts	Total Monthly Volumes Energy (Mwh)	Non-Requirements Sales For Resale (Mwh)
1	Jan.	4	800	302	219,460	36,200
2	Feb.	11	1000	310	195,946	30,941
3	Mar.	15	800	289	200,170	37,930
4	Apr.	15	1100	267	204,706	46,237
5	May	17	1200	274	178,355	17,201
6	Jun.	8	1500	339	211,168	59,552
7	Jul.	14	1500	354	263,027	69,703
8	Aug.	11	1300	372	275,373	83,447
9	Sep.	5	1400	340	242,077	82,829
10	Oct.	5	1000	278	238,475	73,961
11	Nov.	6	2000	316	239,385	63,637
12	Dec.	21	1900	336	275,582	82,740
13	<b>TOTAL</b>				2,743,724	684,378

## Montana

		Peak Day of Month	Peak Hour	Peak Day Volumes Megawatts	Total Monthly Volumes Energy (Mwh)	Non-Requirements Sales For Resale (Mwh)
14	Jan.					
15	Feb.					
16	Mar.					
17	Apr.	*Peak information maintained on a total system basis only.				
18	May					
19	Jun.					
20	Jul.					
21	Aug.					
22	Sep.					
23	Oct.					
24	Nov.					
25	Dec.					
26	<b>TOTAL</b>					

## TOTAL SYSTEM Sources &amp; Disposition of Energy

SCHEDULE 33

	Sources	Megawatthours	Disposition	Megawatthours
1	Generation (Net of Station Use)			
2	Steam	1,816,999	Sales to Ultimate Consumers (Include Interdepartmental)	1,534,059
3	Nuclear			
4	Hydro - Conventional			
5	Hydro - Pumped Storage		Requirements Sales for Resale	439,007
6	Other	305,767		
7	(Less) Energy for Pumping			
8	<b>NET Generation</b>	2,122,766	Non-Requirements Sales for Resale	684,378
9	Purchases	620,766		
10	Power Exchanges			
11	Received	22,591	Energy Furnished Without Charge	
12	Delivered	(14,647)		
13	<b>NET Exchanges</b>	7,944		
14	Transmission Wheeling for Others		Energy Used Within Electric Utility	6,922
15	Received	1,643,695		
16	Delivered	(1,651,447)		
17	<b>NET Transmission Wheeling</b>	(7,752)	Total Energy Losses	79,358
18	Transmission by Others Losses			
19	<b>TOTAL</b>	2,743,724	<b>TOTAL</b>	2,743,724

## SOURCES OF ELECTRIC SUPPLY

Year: 2000

	Type	Plant Name	Location	Annual Peak (MW)	Annual Energy (Mwh)
1	Thermal	Ben French	Rapid City, SD	98	173,623
2					
3	Thermal	Ben French	Rapid City, SD	10	4,866
4					
5	Thermal	Ben French	Rapid City, SD	24	166,383
6					
7	Thermal	Osage	Osage, WY	35	245,438
8					
9	Thermal	Wyodak	Gillette, WY	69	532,398
10					
11	Thermal	Neil Simpson Co	Gillette, WY	112	872,782
12					
13	Thermal	Neil Simpson Co	Gillette, WY	39	127,276
14					
15	Purchases	See Schedule 33			620,766
16					
17	Wheeling	See Schedule 33			(7,752)
18					
19	Total Interchange	See Schedule 33			7,944
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
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31					
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44					
45					
46					
47					
48					
49	Total			387	2743724

## MONTANA CONSERVATION &amp; DEMAND SIDE MANAGEMENT PROGRAMS

Year: 2000

	Program Description	Current Year Expenditures	Last Year Expenditures	% Change	Planned Savings (MW & MWH)	Achieved Savings (MW & MWH)	Difference (MW & MWH)
1	N/A						
2							
3							
4							
5							
6							
7							
8							
9							
10							
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29							
30							
31							
32	TOTAL						



## MONTANA CONSUMPTION AND REVENUES

Year: 2000

	Sales of Electricity	Operating Revenues		MegaWatt Hours Sold		Avg. No. of Customers	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Residential	\$5,937	\$6,807	82	96	12	13
2	Commercial - Small	16,733	44,421	139	499	21	24
3	Commercial - Large	606,419	566,559	13,186	12,334	2	2
4	Industrial - Small						
5	Industrial - Large						
6	Interruptible Industrial						
7	Public Street & Highway Lighting						
8	Other Sales to Public Authorities						
9	Sales to Cooperatives						
10	Sales to Other Utilities						
11	Interdepartmental						
12							
13	<b>TOTAL</b>	\$629,089	\$617,787	13,407	12,929	35	39